UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF CALIFORNIA SAN FRANCISCO DIVISION

TUMBLEWEED COMMUNICATIONS CORP., a Delaware corporation,

Plaintiff and Counter -Defendant,

v.

SENDMAIL, INC., a Delaware corporation and DOES 1 through 10, inclusive,

Defendant and Counter -Claimant.

Case No. C-08-04318-JCS

The Honorable Joseph C. Spero

STIPULATION OF DISMISSAL BETWEEN PLAINTIFF AND DEFENDANT

WHEREAS, Plaintiff/Counter-Defendant Tumbleweed Communications Corp. ("Tumbleweed") and Defendant/Counterclaimant Sendmail, Inc. ("Sendmail") have entered into a Settlement Agreement effective as of September 3, 2009. NOW, THEREFORE, pursuant to the settlement agreement of the parties, Tumbleweed and Sendmail stipulate, subject to approval of the Court, that:

- 1. Tumbleweed's complaint against Sendmail is dismissed in its entirety with prejudice.
- 2. Sendmail's counterclaims against Tumbleweed in their entirety are dismissed with prejudice.
 - 3. Each party shall bear its own attorney's fees, expenses and costs.

STIPULATED AND AGREED TO:

Ted G. Dane Munger, Tolles & Olson, LLP 355 S. Grand Avenue, 35th Floor Los Angeles, CA 90071

(213) 683-9100 Attorneys for Tumbleweed Communications Corp. Arthur S. Beeman

Jones Day

555 California Street, 26th Floor San Francisco, CA 94104

Attorneys for Sendmail, Inc.

So ORDERED and SIGNED this 14th day of September, 2009.

